

Memorandum

To: Panel Members Date: December 19, 2002

From: Creighton Chan, Manager
Peter DeMauro, General Counsel Analyst: D. Woodside

Subject: Proposed Amendment No. 1 for **City of Sunnyvale on behalf of the NOVA Workforce Investment Board/EDD Techforce Initiative (SET)<250**
(www.novapic.org)

CONTRACTOR:

- Multiple Employer: Workforce Investment Board
- Training Project Profile: Retraining companies with out-of-state competition
SET-Workers Earning at Least State Average Hourly Wage
- Legislative Priorities: Stimulating Exports/Imports
Locating Into or Expansion Within California
Displaced/Potentially Displaced Workers
- Type of Industry: Various Industries
- Repeat Contractor: Yes
- Union Representation: No
- Name and Local Number of Union representing workers to be Trained: None of the trainees employed by the core group of employers is represented by collective bargaining agreement.

CONTRACT:

- Program Costs:
 - Present Program Costs:** \$530,740
 - Amendment Program Costs -:** \$-14
 - Total Program Costs:** \$530,726
- Multiple Employer Support :
 - Present Contract Support (8 %):** \$34,340
 - Amendment Support (8 %):** \$-14
 - Total Support :** \$34,326
- Substantial Contribution:
 - Present Contract Contribution:** \$0
 - Amendment Contribution +:** \$0
 - Total Contributions:** \$0

- Total ETP Funding: \$530,726
- In-Kind Contribution: \$892,800
- Maximum Contractor Charge: \$0 per trainee
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Statewide
- Duration of Agreement: 24 Months

ACTIVE PROJECTS:

The following are current project statistics:

Agreement No.	Term	Agreement Amount	Number To be Retained	Number Enrolled	Number Completed Training	Number Hired (Complete for new hires only)	Number retained for 90 days
ET02-0198	12/31/01-12/30/03	\$530,740	400	0	0		0

Training has not begun under this Agreement as explained below.

NARRATIVE:

The City of Sunnyvale, on behalf of its Workforce Investment Board, is requesting an Amendment to its demonstration Techforce project. The changes are enumerated on page 3.

Background: This Agreement was approved by the Panel at its December 2001 meeting. It was the **first** demonstration project approved under the Techforce Initiative, which represents a joint effort between Employment Development Department (EDD) and ETP to meet the information technology training needs of small businesses. Under Techforce, classroom/laboratory training in Advanced Technology is to be provided through Panel Agreements with local workforce development entities such as NOVA. This specific Agreement limited employer participation to small businesses with fewer than 100 employees. The curriculum includes coursework in network management, Wide Area Network (WAN) engineering, information technology management, system administration for both Microsoft and UNIX systems, WEB and Internet systems engineering and design, software engineering and management for various applications, programming languages, project management, and e-commerce security systems. Occupations for those to be trained include various information technology staff persons, computer technicians, field service technicians, and telecommunications technicians.

Issues Related to Program Implementation: Even with NOVA staff's diligent efforts to market the program to area employers, contact eligible employers to assess what actual courses should be provided first, and schedule and develop customized courses with training vendors, training has not started under this Agreement. Based on employer feedback, NOVA staff report that the current economic downturn in Silicon Valley has resulted in a decreased ability of small businesses to release workers on company time to attend training. However, NOVA also reports that employers still need to continue training incumbent employees in information technology in order to be competitive.

NARRATIVE: (continued)

Summary of Changes Included in the Amendment

The only significant change is to provide NOVA with the same funding level as all other Techforce projects approved to date, which are reimbursed at the Advanced Technology rate of \$20 per class/lab hour. Since this project was approved, staff subsequently determined that the curriculum for this project is Advanced Technology training. In addition, the Contractor is requesting a change in the allowable trainer to trainee ratio from 1:20 to 1:15 for companies with less than 250 employees. The Panel has already approved this request for the Long Beach Workforce Development Bureau's Techforce project. The 1:15 ratio is only being recommended for demonstration projects whose purpose is to foster cooperative efforts between the Panel and Workforce Investment Board's around the state. This change will also allow NOVA to expand the pool of businesses from which to draw trainees. NOVA has experienced difficulty in assembling 20 trainees from multiple small businesses with less than 100 employees. By expanding the size and number of targeted businesses to include companies with up to 250 employees, these larger businesses can provide the "anchor" NOVA needs to assemble enough trainees for a particular class.

Other technical changes to the Agreement include: a revision to the Agreement Term to provide necessary time to implement training under the Agreement as amended; to add newly required MEC retraining language on compensable time in training for all retrainees; and to revise the minimum wages upward to reflect the hourly wage requirements for 2002.

Supplemental Nature of Training

Each participating employer must complete a certification statement outlining the supplemental nature of the training, the employer's commitment to training, and its in-kind contribution. It is expected that the Contractor will serve small businesses that have been unable to provide state-of-the-art computer skills training to its employees because of limited resources; the high cost of training only one or two employees; and the inaccessibility of customized training. Thus, this training will be supplemental.

COMMENTS:

Classes will be comprised of 100 percent ETP trainees.

All trainees in this project will meet the Panel's definition of frontline worker under Title 22, California Code of Regulations, Section 4400 (ee).

PROPOSED ACTION:

Staff recommends Panel approval of this Amendment if funds are available and the project meets Panel priorities. It is staff's opinion that this Amendment supports the original intent of this project to assist California workers gain information technology skills to secure year-round, well-paying jobs; to gain skills in demand by area employers; and provide workers with career advancement opportunities in information technology. In addition, this project will assist small businesses with less than 250 employees remain competitive and keep their workers employed during the current economic climate.

TRAINING PLAN:

Grp/Trainee Type	Types of Training	No. Retain	No. Class/Lab Videocnf. Hrs	No. CBT Hrs	No. SOST Hrs.	Cost per Trainee	Hourly Wage after 90 days
1-4 Retrainees	Advanced Technology	310	40-120	0	0	\$855-\$2,566	*\$12.16-\$50.00
5-8 SET Frontline Worker	Advanced Technology	62	40-120	0	0	\$855-\$2,566	*\$20.27-\$50.00
					<u>Range of Hourly Wages</u> \$12.16 - \$50.00		
					<u>Prevalent Hourly Wage</u> \$16.00		
					<u>Average Cost per Trainee</u> \$1,426		
<u>Health Benefit used to meet ETP minimum wage:</u> *Employer-paid health benefits (medical, dental, vision) may be added to the base wage to meet the ETP minimum wage of \$12.16 for Jobs 1-4 and \$20.27 for the SET Frontline Worker minimum wage for Jobs 5-8.					<u>Turnover Rate</u> 20% or less	<u>% of Mgrs & Supervisors to be trained:</u> 0%	

HOURS
Class/Lab

NOVA Techforce Menu Curriculum

40-120

Advanced Technology Skills

- C Language Programming
- Database Systems and Concepts
- E-Commerce Engineering
 - XML Development
- Internet Programming
 - Programming Technologies
 - Hypertext Markup Language (HML)
 - Extensible Markup Language (XML)
 - Internet Scripting Languages (JavaScript, Visual Basic)
- Microsoft Windows System Administration
 - Windows 2000 Networking Essentials
 - System Administration for Microsoft SQL Server
 - Windows 2000 Server Administration
 - Windows 2000 Network Infrastructure
 - Designing Security for Window NT
- Network Engineering
 - Computer Networks: Architecture and Protocol
 - TCP/IP Protocol Architecture
 - Bridges and Routers
 - WAN Architectures and Protocols
 - High-Speed Network Architectures (VLANs)
 - Wireless Access Protocol (WAP), Wireless Markup Language (WML), and WMLScript Programming
- Network Management
 - Gigabit Ethernet Architecture
 - Bridges, Routers and Gateways
 - Using TCP/IP Application Protocols
 - Fiber Optics Theory and Practice
- Router Configuration and Management
 - Cisco Router Configuration
 - IP Multicasting Architecture Protocols and Applications
 - LAN/WAN Configuration with Cisco Routers
 - Cisco Internetwork Design
- Software Engineering and Management
 - Capability Maturity Model (CMM)
 - Software Quality Assurance and Testing
 - Testing Internet Applications
- System Integration Languages
 - Perl Programming
 - JavaScripting

NOVA Techforce Menu Curriculum

- Visual Basic Scripting Language
- UNIX System Programming
- UNIX System Management and Administration
 - UNIX System Administration
 - UNIX Security for System Administrators
 - UNIX System Administration with DNS, NIS(+), and Sendmail
- Web and Internet Systems Engineering
 - E-Commerce and Enterprise Applications Integration
 - Application Service Provider (ASP) Architectures
- Web and E-Commerce Security
 - Network Security
 - E-Commerce Security: Firewall and Access Control
 - Virtual Private Network (VPN) Design and Implementation
 - Public Key Infrastructure (PKI)
 - Intrusion Detection
 - Computer Virus Protection
- Windows Application and System Programming
 - Microsoft Windows 95/98/NT Application Programming
 - Microsoft Windows 95/98/NT Systems Programming
 - Microsoft XML Development
 - Windows 2000/XP Internal Architecture
 - Visual Basic Programming for Windows
 - Visual Basic .NET Programming
 - Microsoft ActiveX Programming
 - Windows 2000/XP Device Drivers